

Rule of Res. → virtually impossible case | Look up FERC
 only unreasonable reasons to enter
 settlement are a problem | antitrust

Changes Made Consistent with the Pro Forma Tariff, Order No. 638, current Commission orders, and our wishes

- OASIS
- Discounting
- Waiver of deposits – if meet creditworthiness standards (as established in business practices)
- Allow purchase of transmission simply between control areas rather having to name source and sink
- Lots of flexibility of service – can take daily firm service of 1-6 days, weekly firm service of 7 to 27 days, monthly service of 28 to 364 days.
- Procedures for interconnections added provisions mirroring the open access provisions.
- Pro forma service agreements
- Bumping and acceleration and matching requirements
 - will only apply if transmission customer obtains extension of the service commencement date established in its service agreement.
 - All other long term firm point to point treated as unconditional service
- Reassignment - Removed proposal to only allow reassignment of whole transmission right and removed notice requirement
- BPA's PBL required to do redispatch uncompensated –
 - After curtailment of non-firm before curtailment of firm – not used to create ATC
 - Only federal hydro
- Customers may self-supply energy imbalance service if meet BPA's conditions

- BPA could impose this they have - so what difference

What Authority does BPA have - Not Arbitrary & Capricious.

Don't know how 9th Cir. will come out on

Major Differences from pro forma tariff

- Definition of "Eligible Customer"

Antitrust

Section 2.2

- Open Season –
 - Look on OASIS for posting explaining open season on or before June 30, 2000.
 - Must request the transmission on the 31st day thereafter (the "designated day").
 - BPA will treat all requests filed on that day as if filed at the same time.
 - To extent requests exceed ATC – will allocate on a pro rata basis

May have to seek stay of the open season

Other Differences from Pro forma

- GTA

Not per se violation of Sherman Act?

Agreement to Alloc. Customers / or territories
 Some element of Customer Alloc. because Pigot sound note is known to the customers

Allocation among potential competitors - Never served customers
 802-2044 Dick Price @ Tonkon Torp

→ Not appropriate signing - good thing
 → Potential liability would go to Sierra not Enron

- Potential Customer allocation issue

Does FERC review protect
 Is extensive review required?

No blanket immunity
 Alloc. w/ respect to electrons
 Have to show causation

- Leaves reservation fee for deferred commencement of service – However, during the 10/1/2001 – 9/30/03 period, it will only apply if service commences more than 1 year from the request date.
- Allows conversion of IR, FPT.
- Special scheduling procedures for Slice
- Termination of Service - won't file with FERC to terminate service but won't terminate while in dispute resolution and will establish escrow accounts.
- Numerous changes related to network transmission tariff
- Although BPA's tariff includes an unauthorized increase charge it may be waived or reduced on a non-discriminatory basis if customer demonstrates good cause

Important Settlement Provisions:

- Business Procedures right to challenge implementation
- Signing settlement would not preclude any party from challenging any section after September 30, 2003. BPA can propose to changes to terms and conditions – important to it joining an RTO

- Sherman Act Section 1 restraint of trade
w/BPA
could be w/ other customers
- Demonstrate Antitrust Intent -